

SECURITIES AND EXCHANGE COMMISSION

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ANNUAL AUDITED REPORT

MAR 16 2009

FORM X-17A-5

PART III

A

OMB APPROVAL

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DIVISION OF MARKET REGULATION

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Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING

11/108

AND ENDING

12/31/08

MM/DD/YY

MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

New Horizons Asset Management
Group LLC

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

OFFICIAL USE ONLY

FIRM I.D. NO.

(No. and Street)

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

D'Connor + D'Connor LLP

(Name - if individual, state last, first, middle name)

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

- ☐ Certified Public Accountant
- ☐ Public Accountant
- ☐ Accountant not resident in United States or any of its possessions.

FOR OFFICIAL USE ONLY

*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (06-02)

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New Horizons

ASSET MANAGEMENT GROUP, LLC

Steven R. Gleason, Managing Partner
Thomas E. Hughes, Managing Partner

March 9, 2009

FINRA
New Jersey District Office
Attn: Belinda Chan, FINRA Coordinator
581 Main Street 7th Floor
Woodbridge, NJ 07095

Dear Mr. Chan:

The 2008 financial statements issues by our firm's CPA had a discrepancy. Please see the attached letter outlining the two issues and the corrected pages.

Sincerely,

Steven R. Gleason
Managing Partner

Cc:
SEC ✓
FINRA/Rockville
NYS Department of Law
FI/Dept of Revenue

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O'CONNOR & O'CONNOR, LLP

CERTIFIED PUBLIC ACCOUNTANTS
249 ROUTE 32 * PO BOX 365
CENTRAL VALLEY, NEW YORK 10917

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(845) 928-9164

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(845) 928-8582

March 4, 2009

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MAR 16 2009

Washington, DC
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Steven R. Gleason
Managing Partner
New Horizons Asset Management Group, LLC
11 Racquet Road * Suite 2
Newburgh, NY 12550

Mr. Gleason,

You have brought to my attention 2 items in the financial statements that our firm issued an opinion on that are incorrect. These items are:

- 1) Page 10, Computation of Net Capital. Non-allowable assets, specifically accounts receivable past due for more than 30 days, do not match what was reported on the FOCUS Report.
- 2) Page 10, Computation of Net Capital. Note refers to 2005.

Response:

- 1) After reviewing the calculation that was made to arrive at accounts receivable past due for more than 30 days, it was discovered that there was a computational error. When adding the numbers of the various types of accounts receivable, there was a transposition error along with a computational error. We have reviewed the calculation and agree that the number should be changed from 23,136 to 44,058 for total non-allowable assets of 48,363. This change does not affect the overall computation of basic net capital requirement.

In addition to the change on the computation of net capital schedule, note 5 has also been changed to reflect total net capital 102,019.

- 2) This was a typographical error and should reflect 2008.

I have enclosed a copy of the corrected financial statements. Please do not hesitate to contact us should you have any questions.

Sincerely,



Christopher J. O'Connor, CPA

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NOTES TO FINANCIAL STATEMENTS

Note 3. Furniture and Equipment (continued)

The Company recorded depreciation expense of \$2,893 and \$3,048 in the years ended December 31, 2008 and 2007, respectively.

Note 4. Off-Balance-Sheet Risk

As discussed in Note 1, the Company's customers' securities transactions are introduced on a fully disclosed basis with its clearing broker-dealer. The clearing broker-dealer carries all of the accounts of the customers of the Company and is responsible for execution, collection of and payment of funds and, receipt and delivery of securities relative to customer transactions. Off-balance-sheet risk exists with respect to these transactions due to the possibility that customers may be unable to fulfill their contractual commitments wherein the clearing broker-dealer may charge any losses it incurs to the Company. The Company seeks to minimize this risk through procedures designed to monitor the credit worthiness of its customers and that customer transactions are executed properly by the clearing broker-dealer.

Note 5. Net Capital Requirements

The Company is subject to the Securities and Exchange Commission uniform net capital rule (Rule 15c3-1), which requires the maintenance of a minimum amount of net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. Rule 15c3-1 also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1. At December 31, 2008 and 2007, the Company had net capital of \$102,019 and \$115,244 respectively. At December 31, 2008 and 2007 the Company had net capital requirements of \$25,000. The Company's percentage of aggregate indebtedness to net capital on December 31, 2008 was 33.4%.

Note 6. Related Party Transactions

Certain partners of a partnership, which is a member of the Company, are also partners of a firm that provides the Company with office space and accounting services. The Company leases its primary office space on a month-to-month basis. Rent and accounting expense for the years ended December 31, 2008 and 2007 amounted to \$20,240 and \$19,000 respectively.

NEW HORIZONS ASSET MANAGEMENT GROUP, L.L.C.

COMPUTATION OF NET CAPITAL PURSUANT TO RULE 15c3-1

December 31, 2008

Total members' equity from statement of financial condition		\$	150,382
Less non-allowable assets:			
Accounts receivable, past due for more than 30 days	\$	44,058	
Furniture and equipment, net		4,305	
Prepaid Expenses		<u>0</u>	
Total non-allowable assets		\$	<u>48,363</u>
Net capital		\$	<u>102,019</u>
Aggregate indebtedness:			
Accounts payable and accrued expenses		\$	<u>41,020</u>
Computation of basic net capital requirement:			
Minimum net capital required (greater of \$25,000 or 6-2/3% of aggregate indebtedness)		\$	<u>25,000</u>
Net capital in excess of minimum requirement		\$	<u>77,019</u>
Percentage of aggregate indebtedness to net capital			<u>40.2%</u>

Note: The above computation does not differ from the computation of net capital pursuant to Rule 15c3-1 as of December 31, 2008 filed by New Horizons Asset Management Group, LLC on Form X-17A-5. Accordingly, no reconciliation is deemed necessary.

The accompanying notes to financial statements are an integral part of these statements.